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Farmer Coops

MANAGER HOLDS AN IMPORTANT KEY TO CO-OP SUCCESS

FARMER COOPERATIVE SERVICE
U.S. DEPARTMENT OF AGRICULTURE

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U.S. DEPARTMENT OF AGRICULTURE
WASHINGTON, D.C. 20250

Farmer Cooperative Service strengthens the economic position of farmers and other rural people by improving organization, development, management, and operation of their cooperatives. It works directly with cooperative leaders and Federal and State agencies on cooperative problems. It publishes research results and educational materials and issues the News for Farmer Cooperatives.

The Service helps (1) farmers and other rural residents get better prices for products they sell and obtain supplies and services at lower cost; (2) rural residents use cooperatives to develop and make effective use of their resources; (3) cooperatives improve their services and operate more efficiently; (4) members, directors, employees, and the public to better understand how cooperatives work and benefit their members and their communities; and (5) encourage international cooperative programs

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This publication is one of a series designed to provide basic cooperative information.

C.H. Kirkman, Jr.
Farmer Cooperative Service

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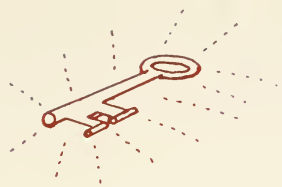


MANAGER HOLDS IMPORTANT KEY TO CO-OP SUCCESS

Most cooperatives need a manager who can work at the job full time.

The board of directors hires the manager.

Strong managers make strong co-ops. Weak managers make weak co-ops.

What makes a manager strong?

A strong manager must:

- Work well with people.

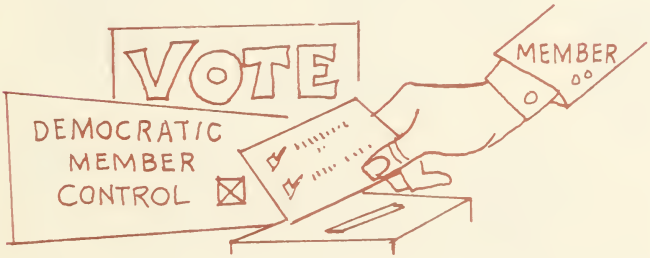
- Be a good business man.

- Be able to run the business.

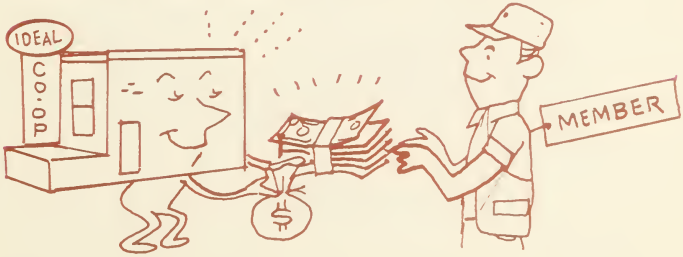
✸ Know the goods and services the cooperative gets for members.
Know the goods and services the cooperative sells for members.

Also, managers must understand that cooperatives are like other business firms except for three things —

1 Members control the cooperative with their votes. This is called democratic member control.



2. The cooperative does not have a profit, but gives the money back to the member as patronage refunds. Thus, the cooperative operates at cost.



3. The cooperative pays a limited rate of interest on money provided by members for the cooperative to use. This is called limited returns on investment.

Interest
Limited returns on investment

And finally the cooperative manager must be able to:

- Make members like and trust him.

- Work hard.

✱Do a good job.

✱Be honest.

✱Make sound decisions.

✱Look for better ways to serve members.

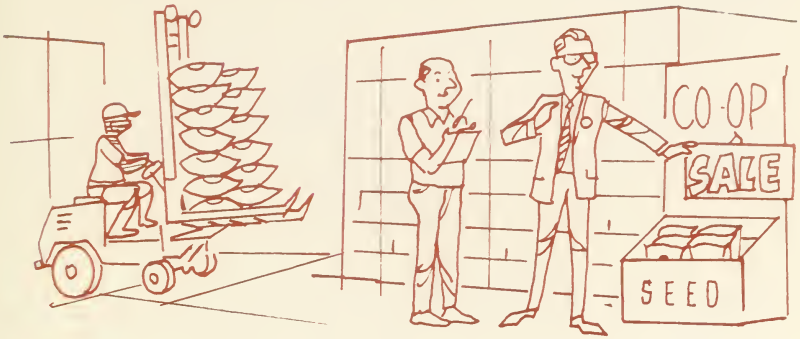
✱Be able to handle the business affairs and direct employees.

Every manager must:

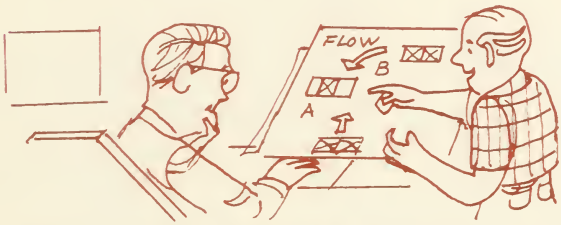
✱Carry out plans of the board of directors.

✱Study the co-op at all times to make it work better for the members.

✱Run the day-to-day work.

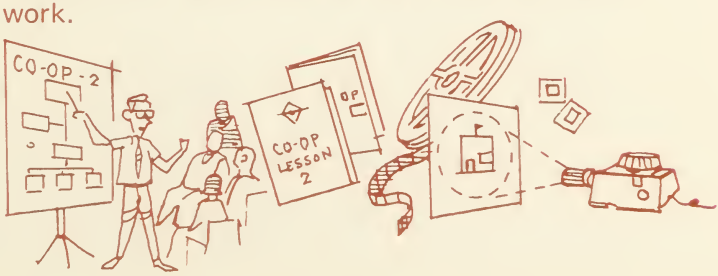


✱Use common sense. Get advice when he needs it.



✱Hire honest, good help, who are fitted to do the work.

✱Continuously train new and old help for better work.

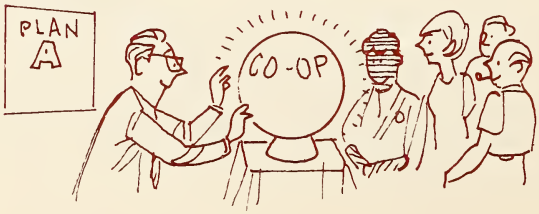


✸ Keep trying to make himself a better manager.

✸ Let directors know how the business is going. Tell them what the co-op needs and suggest ways to make the co-op better at the regular board meeting.

✸ Get up reports for the board of directors meetings and for the annual meeting.

✸ Plan ahead and think ahead of time what the members need.



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✸ Remember the members own the co-op, not the manager.

✸ Realize that special favors for employees, directors, or members will harm the co-op. Must not look for special benefits for himself.

✸ Take part in community affairs.

✸ It takes everybody — manager, board, and members — to make the co-op a success. If each person carries his share of the load, the co-op will grow.

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OTHER PUBLICATIONS AVAILABLE

Cooperatives in the American Private Enterprise System. Educational Aid 5. C.H. Kirkman, Jr.

Did You Know? Information 49.

Farmer Cooperatives . . . Farm Business Tools. Agricultural Information Bulletin 275. Beryle E. Stanton.

How to Start a Cooperative. Educational Circular 18. Irwin W. Rust.

"Mr. Chairman—". Information 6. Irwin W. Rust.

What Are Cooperatives? Information 67. C.H. Kirkman, Jr.

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